STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

October 13, 2006

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

PSF No.: 06HD-177

Island of Hawaii

Cancellation of Governor's Executive Order No. 2249 and Reset Aside to the Department of Accounting and General Services for Addition to the Hamakua Civic Center, Honokaa, Hamakua, Hawaii, Tax Map Key: 3rd/4-5-006: 071

CONTROLLING AGENCY (of subject executive order):

Department of Defense

APPLICANT (requesting set aside):

Department of Accounting and General Services

LEGAL REFERENCE:

Section 171-11, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government land situated at Honokaa, Hamakua, Hawaii, identified by Tax Map Key: 3rd/4-5-006: 071, as shown on the attached map labeled Exhibit A.

AREA:

20,717 square feet or .4756 acres, more or less.

ZONING:

State Land Use District:

Urban

County of Hawaii CZO:

Residential (RS-7.5)

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CURRENT USE STATUS:

Governor's Executive Order No. 2249 setting aside 20,717 square feet to State Department of Defense for Vehicle Storage and Maintenance Yard purposes, together with a non-exclusive easement for access purposes over the Honokaa Garage Site.

PURPOSE OF SET ASIDE:

Addition to Hamakua Civic Center for use by government agencies and other public uses.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This action before the Board is merely a transfer of management jurisdiction and does not constitute a use of State lands or funds, and therefore, this action is exempt from the provisions of Chapter 343, HRS, relating to environmental impact statements. Inasmuch as the Chapter 343 environmental requirements apply to Applicant's use of the lands, the Applicant shall be responsible for compliance with Chapter 343, HRS, as amended.

Additionally, the two current requests for use of the property through DAGS is the State of Hawaii, Department of Transportation, Highways Division and the County of Hawaii, Highways Division. Both users intend to use the facility for the purposes of a vehicle storage and maintenance base yard. Such use would be consistent with the previous use by the Department of Defense and be exempt in accordance with the "Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1 that states:

"Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing."

APPLICANT REQUIREMENTS:

Staff does not anticipate any requirements since there is already an existing map of the property in connection with the Executive Order No. 2249.

REMARKS:

On December 14, 1965, Executive Order No. 2249 for the site was issued to the State Department of Defense for the purposes of a "Vehicle Storage and Maintenance Yard" together with a non-exclusive easement over the "flag" portion of an adjacent lot set aside to the County of Hawaii for a County Garage under Executive Order No. 2250.

By way of letter dated May 3, 2005 (Exhibit B), the State of Hawaii, Department of Defense requested the cancellation of Governor's Executive Order No. 2249 due to the re-stationing of units and mission requirements.

The request for cancellation also included the Honokaa Armory that was being used jointly between the National Guard and Honokaa High School for years. However, although the area of the Armory shows it as part of the set aside to the DOE for Honokaa High School, there is no official disposition to the National Guard. Lacking any disposition to the National Guard, there is no need to bring any further action to the Board for that site and the DOE has already assumed responsibility for the Armory.

Governor's Executive Order No. 2249 is adjacent to both the County of Hawaii, Highways Division Garage facility and the Hamakua Civic Center. Previously, DAGS requested that we not issue a new long term lease on an 11 acre site directly below the County Garage due to the possible need for an expansion of the Hamakua Civic Center in the future. As such, it is only logical that this area under Governor's Executive Order No. 2249 be added to the Hamakua Civic Center.

Both the County of Hawaii, Highways Division and the State of Hawaii, Department of Transportation Highways Division have indicated interest in using the site and its existing facilities. Both intend to use the facility to supplement their current operations in the storage of trucks and equipment. Either agency could utilize the site through an agreement with DAGS similar to County of Hawaii, Police and Fire Department that currently occupy buildings within the Hamakua Civic Center.

The Department of Defense conducted an Environmental Baseline Study prior to the request for the cancellation. The following is an excerpt from the study:

Asbestos Recommendations

If the HIARNG plans to demolish the current structure, it is likely that the floor tiles would become friable during removal activities. Therefore, the NESHAP regulations apply, and the material should be removed by an accredited asbestos abatement contractor prior to demolition.

If the HIARNG plans to transfer the property, the future property owner should be made aware of the results of the ACM survey conducted for the Armory by PSI in 1992.

Lead Recommendations

Since the buildings at the MVSB and the Armory were constructed prior to 1979, and no documentation is available to confirm or deny the presence of LBP, there is a possibility LBP was used at the facilities. AMEC recommends the HIARNG perform sampling to confirm or deny the presence of LBP, and to assess the quantity of LBP at the MVSB and Armory.

General Recommendations

Prior to property transfer, AMEC recommends the HIARNG perform the following actions:

- Confirm is fuel is absent or present in the AST at the MVSB. If the AST
 contains fuel, HIARNG should properly recycle or dispose of the fuel in the
 AST; and
- Perform LBP survey of the buildings to assess presence of lead.

In accordance with the study, the DOE has been made aware of the recommendations for the Armory and has accepted the facility. Testing for lead based paint was conducted on the building within Executive Order No. 2249. The testing revealed lead based paint exceeding acceptable levels on the concrete base supports and exterior window trims of the buildings. As a result, the DOD hired an environmental contractor to remove the lead based paint and such work has been verified by staff. Staff also had DOD remove and dispose of the Above Ground Fuel Storage Tank noted in the report.

Given the foregoing, staff is comfortable with the issuance of a Governor's Executive Order canceling Executive Order No. 2249 and thereby releasing the Department of Defense. Staff is also supporting the reset aside of the property to DAGS as an addition to the Hamakua Civic Center as the property is a logical extension of the civic center and its highest and best use.

A request for comments was circulated to the standard agencies and no significant comments were received.

RECOMMENDATION: That the Board:

- 1. Approve of and recommend to the Governor issuance of an executive order canceling Governor's Executive Order No. 2249 and subject to the following:
 - A. The standard terms and conditions of the most current executive order form, as may be amended from time to time;

- B. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
- C. Review and approval by the Department of the Attorney General; and
- D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
- 2. Approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to the Department of Accounting and General Services under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
 - A. The standard terms and conditions of the most current executive order form, as may be amended from time to time;
 - B. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

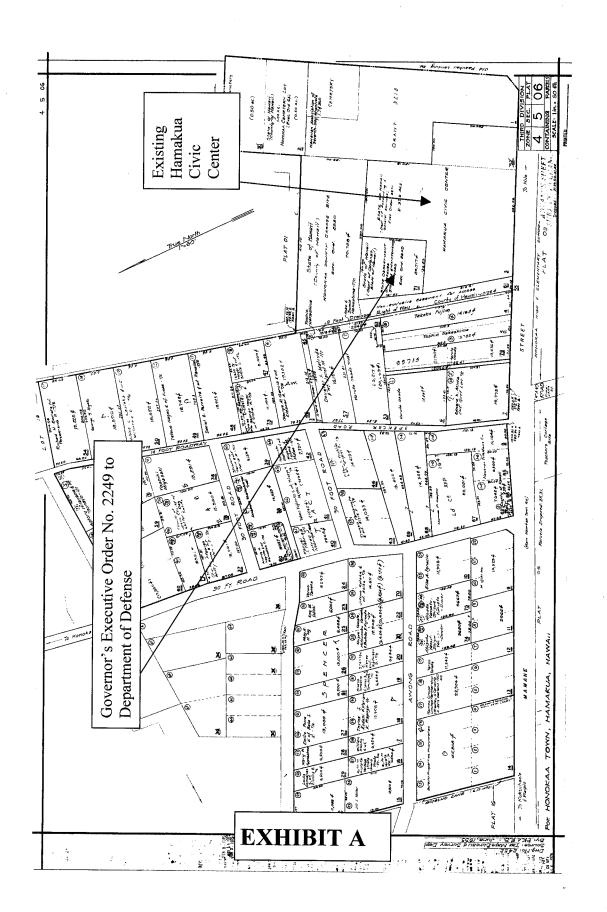
Respectfully Submitted,

Harry M. Yada

District Land Agent

APPROVED FOR SUBMITTAL:

Peter T. Ydung, Chairperson



LINDA LINGLE GOVERNOR



ROBERT G. F. LEE MAJOR GENERAL ADJUTANT GENERAL

GARY M. ISHIKAWA COLONEL (P) DEPUTY ADJUTANT GENERAL

STATE OF HAWAII

DEPARTMENT OF DEFENSEOFFICE OF THE ADJUTANT GENERAL

3949 DIAMOND HEAD ROAD HONOLULU, HAWAII 96816-4495

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RECEIVED LAND DIVISION HILO, HAWAII

2005 MAY -5 A 10: 48

Mr. Harry Yada Hilo Department of Land and Natural Resources 75 Aupuni St Hilo, Hawaii 96720

Dear Mr. Yada:

Due to the re-stationing of Hawaii Army National Guard (HIARNG) units and change of mission requirements, we would like to inform you with our intention to cancel the Governor's Executive Order No. 2249 for Honokaa Armory and the associated vehicle storage/maintenance yard.

The HIARNG and Department of Education had a standing agreement to co-use the Honokaa Armory with shared responsibility of utility costs.

In preparation for the real property transfer we are requesting that you please provide us with your requirements necessary to execute the cancellation of the Executive Orders. We will provide you with an Environmental Baseline Study for both locations.

Should you have any questions regarding this request, please contact Staff Sergeant Rose Buxton, 733-4123.

Sincerely,

Robert G. F. Lee Major General

Hawaii National Guard

Adjutant General